

The Gazette of India



EXTRAORDINARY

PART II—Section 3—Sub-section (i)

PUBLISHED BY AUTHORITY

No. 135] NEW DELHI, SATURDAY, NOVEMBER 5, 1960/KARTIKA 14, 1882

MINISTRY OF STEEL, MINES AND FUEL

(Department of Mines and Fuel)

NOTIFICATION

New Delhi, the 5th November 1960

G.S.R. 1311.—In exercise of the powers conferred by section 31 of the Oil and Natural Gas Commission Act, 1959 (43 of 1959), the Central Government hereby makes the following rules, namely:—

CHAPTER I

PRELIMINARY

1. **Short title.**—These rules may be called the Oil and Natural Gas Commission Rules, 1960.

2. **Definitions.**—In these rules, unless the context otherwise requires,—

- (a) "the Act" means the Oil and Natural Gas Commission Act, 1959;
- (b) "audit officer" means the Comptroller and Auditor General of India and includes any person appointed by him in connection with the audit of the accounts of the Commission;
- (c) "Government" means the Central Government;
- (d) "notification" means notification in the Official Gazette.

CHAPTER II

PROVISIONS RELATING TO MEMBERS

3. **Term of Office.**—(1) A Member of the Commission shall hold office for a period of three years from the date of the notification of his appointment and shall be eligible for reappointment.

(2) Nothing in sub-Rule (1) shall apply to any Member who has been appointed, prior to the commencement of these Rules, for a term of less than three years.

4. **Casual vacancies.**—(1) When a member dies or resigns or is removed from office, Government may, by notification, appoint a person to fill the vacancy.

(2) A member appointed to fill such a vacancy shall hold office for the remainder of the term of the member in whose place he is appointed.

5. **Resignation.**—Any member may resign his office by giving notice in writing of at least one month to Government.

6. Disqualifications for membership.—A person shall be disqualified for being appointed or for continuing as a member, if he—

- (a) is or has been removed or dismissed from the service of Government; or
- (b) is, or at any time has been, adjudicated an insolvent or has suspended payment of his debts or has compounded with his creditors; or
- (c) is of unsound mind and stands so declared by a competent court; or
- (d) is or has been convicted of any offence involving moral turpitude; or
- (e) has any financial interest, whether as proprietor, employee or otherwise, in any business undertaking dealing with petroleum or petroleum products.

7. Removal of member.—The Government may, by notification, remove any member if he—

- (a) is or becomes subject to any of the disqualifications mentioned in rule 6; or
- (b) in the opinion of Government, has failed or is unable to carry out his duties satisfactorily; or
- (c) fails to attend three consecutive meetings of the Commission without the leave of the Commission;

Provided that before issuing any such notification, Government shall give such member an opportunity of being heard in the matter.

8. Salary and allowances.—(1) Members shall be entitled to draw travelling and daily allowances for journeys performed by them for attending the meetings of the Commission, or for the purpose of discharging such duties as may be assigned to them by the Commission, on the scale provided for under the Fundamental and Supplementary rules, applicable to the grade of officers to which Government may declare them to correspond in status; and where the members are required to discharge such special duties as may be assigned to them by Government, the members shall also be paid in addition to the travelling and daily allowances admissible to them such special allowances at such rates and subject to such conditions as may be determined by Government.

(2) Every member shall be his own controlling officer in respect of his bills.

(3) Notwithstanding anything contained in sub-rule (1) where a Minister or a Member of Parliament is a member of the Commission, he shall not be entitled to draw, as a member of the Commission, any salary, honorarium and allowance other than those admissible to him under the Salaries and Allowances of Ministers Act, 1952, or, as the case may be, the Salaries and Allowances of Members of Parliament Act, 1954, as in force for the time being.

9. Leave and Leave salaries.—(1) Every member shall be entitled to leave and leave salary or such terms and conditions as are admissible to Central Government servants engaged on contract:

Provided that a member shall be entitled to leave and leave salary applicable to the Government service to which he belongs so long as he continues to belong to that service.

(2) The authority to grant leave to a member shall be Government.

10. Other conditions of service.—All other conditions of service of members shall be such as may be determined in each case by Government.

11. Pay, Allowances, etc. of members who are Government servants.—Notwithstanding anything contained in rules 3 to 5 and 8 to 10, the salaries, allowances and conditions of service of members who hold a lien on any Government service shall, so long as they continue to hold such lien, be such as may be determined in each case by Government.

CHAPTER III

DUTIES AND RESPONSIBILITIES OF FINANCE MEMBER.

12. Duties of Finance Member.—(1) The Finance Member shall advise the Commission on all matters relating to its receipts and expenditure and all other

financial transactions of the Commission except on matters or transactions, as the case may be, powers in respect of which have been or may be delegated under section 26 of the Act.

(2) It shall be the duty of the Finance Member to see that expenditure is met from the Fund in accordance with the provisions of the Act and the rules and regulations made thereunder.

(3) The Finance Member shall have the right to refer to the Commission any matter having financial implications which, in his opinion, ought to be brought to its notice.

(4) The Finance Member shall scrutinise and supervise the preparation of the budget estimates of the Commission, the maintenance of the accounts of the Commission and the compilation of financial statements and returns and shall also ensure that all accounts, books, connected vouchers and other documents and papers of the Commission, required by the audit officer for the purpose of auditing the accounts of the Commission, are placed at the disposal of that officer.

(5) The Finance Member shall have the authority to advise the Commission that a particular decision affecting the general financial policy of the Government should be referred to Government.

CHAPTER IV

BUDGET, ACCOUNTS AND AUDIT.

13. Preparation and submission of budget.—(1) The budget estimates of the Commission for every financial year shall be prepared by the Finance Member or such employee of the Commission as may be authorised by him in his behalf, in the form specified in the Annexure and sufficiently in advance of the date fixed under sub-rule (4).

(2) A copy of the budget estimates so prepared shall be sent to each member at least fourteen days before the meeting of the Commission at which such estimates are to be considered.

(3) The Commission shall consider and sanction the budget estimates with such changes as it thinks fit at the meeting fixed for the purpose or at any other meeting to which the consideration of the budget estimates is adjourned.

(4) The budget estimates sanctioned by the Commission shall be submitted to Government for approval by the fifteenth day of October of the financial year preceding the financial year to which the budget estimates relate:

Provided that Government may, at the request of the Commission, fix such later date, but not beyond the 31st day of October, as Government thinks fit for such submission.

14. Supplementary Budget.—The Commission shall, where necessary, also submit for the approval of Government a supplementary budget in respect of the financial year to which it relates, in the form specified in the annexure before such date as may be specified by Government.

15. Accounts of Commission.—The accounts of the Commission including initial accounts of stores, shall with effect from the date of its establishment be maintained in such form as may be specified by Government from time to time in consultation with the Comptroller and Auditor General of India.

16. Maintenance of fixed assets/Plant Register.—The Commission shall maintain a register of fixed assets/plants showing brief particulars of assets/plants, original cost, subsequent additions and depreciation in such form as may be specified by Government in consultation with the Comptroller and Auditor General of India.

17. Verification of Stores.—(1) All stores belonging to the Commission shall be verified every year, or at such shorter intervals as the Commission think fit, by such employees of the Commission other than those belonging to the Stores Organisation of the Commission, as may be authorised by the Commission in this behalf.

(2) A report containing the results of such verification, together with the orders of the Commission thereon and in particular on the shortages or excesses, if any, of stores shall be forwarded to the audit officer in such manner as may be specified in consultation with the Comptroller and Auditor General of India.

18. Preparation and submission of annual report and annual accounts.—(1) The Commission shall prepare, as soon as may be after the commencement of each financial year:

(a) the report referred to in sub-section (2) of section 23 of the Act, which shall include, among other things, particulars in respect of the following matters, namely,—

(i) geological, geophysical, exploratory structural drilling, drilling and other operations carried out and the results obtained in each category of operations;

(ii) the production, refining and sale of products of the Commission;

(iii) trading activities of the Commission.

(b) the annual statement of accounts referred to in sub-section (1) of section 22 of the Act which shall include the profit and loss account and balance sheet and such other subsidiary accounts as Government may, in consultation with the Comptroller and Auditor General of India, direct.

(2) The annual report referred to in sub-rule (1) shall be placed for adoption in the meeting of the Commission and shall be signed by the members and authenticated by affixing the common seal of the Commission. Four copies thereof shall be submitted to Government.

(3) The audit officer shall audit and report on the annual accounts of the Commission by end of February of the following year. He shall also certify whether in his opinion the balance sheet and profit and loss account contain all particulars and are properly drawn up so as to exhibit a true and fair state of affairs of the Commission and in case he has called for any information from the Commission or any of its officers, whether it has been given and whether it is satisfactory.

(4) The annual accounts signed by the members and authenticated by affixing the common seal of the Commission after adoption by the Commission at its meeting together with the auditor's certificate and report thereon shall be submitted to Government by end of February of the following year to which the accounts relate.

19. Cost of audit.—The Commission shall arrange to pay to the Comptroller and Auditor General of India the expenditure incurred by him in connection with the annual audit of its accounts, within three months from the date on which any demand therefor is made by him.

20. Impropriety and irregularity in accounts.—(1) The audit officer shall furnish the Commission and Government separately with a statement, where necessary, in regard to any material impropriety or irregularity which he may observe in the accounts of, or in the recovery of moneys due to, the Commission.

(2) On receipt of such statement the Commission shall as expeditiously as possible remedy any defect or irregularity pointed out therein and report to Government the action taken by it thereon:

Provided that, if there is any difference of opinion between the Commission and the audit officer or if the Commission does not remedy any defect or irregularity or render a satisfactory explanation thereof within the said period, Government may and on a reference specifically made therefor by the audit officer shall, in consultation with the Comptroller and Auditor General of India, pass such orders thereon as it thinks fit; and the Commission shall thereafter take action in accordance with the orders so passed within such time as may be specified by Government.

21. Publication of annual accounts.—An abstract statement of the annual accounts of the Commission shall be published in the Gazette of India as soon as such accounts are laid before each House of Parliament.

22. Power to grant loans.—The Commission shall grant loans in accordance with such orders, rates and terms as Government may from time to time pass or sanction.

23. Periodical returns.—The Commission shall submit to Government as expeditiously as possible:—

- (a) weekly reports on the drilling activities carried on by the Commission;
- (b) monthly reports on the activities of the Commission;
- (c) monthly statements of accounts showing details of the expenditure incurred by the Commission;
- (d) quarterly reviews of the progress of expenditure incurred and the expenditure likely to be incurred during the remaining part of the financial year.

CHAPTER V

MISCELLANEOUS.

24. Salaries, allowances, etc. to be met from the Fund.—The salaries, honoraria, allowances and leave salaries of the members and employees of the Commission shall be met from the Fund.

25. Contracts.—(1) The Commission may enter into contracts for the purpose of performing its functions under this Act:

Provided that provision therefor exists in the budget approved by Government.

(2) Contracts made on behalf of the Commission shall not be binding on it unless they are executed by a person duly authorised by it.

(3) A person authorised by the Commission to enter into any contract on its behalf shall not be personally liable for any assurance or contract made on its behalf and any liability arising out of such assurance or contract shall be discharged from the Fund.

26. Head Office of the Commission.—The head office of the Commission shall be at Dehra Dun or at such other place as Government may from time to time direct.

ANNEXURE

OIL & NATURAL GAS COMMISSION

Supplementary/Annual Budget for.....

(See Rules 13 and 14)

	<i>Actual</i> previous completed fiscal year	Budgeted current year	For the last 6 months Oct.—Mar. of previous year	<i>Actual</i> for the first 6 months Apr.—Sept. of the current year	Total	Revised for the current year	Budgeted next year	Explanation for the differences in the current year
CAPITAL								
RECEIPTS								
Opening Balance of cash								
Capital advanced by Govt.								
Loan from open market								
Grants								
Excess from Revenue Budget								
TOTAL								
EXPENDITURE								
(i) Land								
(ii) Buildings								
(iii) Roads including bridges, culverts etc.								

- (iv) Plant, Machinery including cost of installation
- (v) Tools and Equipment including transportation equipment, scientific instruments, specialist vehicles etc.
- (vi) Tents and accessories
- (vii) Transport Vehicles
- (viii) Furniture and Fixtures
- (ix) Headquarters
- (x) Geological services
- (xi) Geophysical services
- (xii) Drilling & Engineering services
- (xiii) Research
- (xiv) Training
- (xv) Purchase of stores & spare parts
- (xvi) Sales promotion expenses
- (xvii) Miscellaneous :
 - (a) Grant and Subsidies
 - (b) Deficit from Revenue Budget

REVENUE

RECEIPTS

- Sale of Crude Oil
- Sale of Petroleum & Petroleum products
- Sale of Natural Gas
- Sale of By-products'
- Non-operations income interest, rent etc.

	1	2	3	4	5	6	7	8
EXPENDITURE								
Production								
Refining								
Storage and marketing								
General Administration								
<i>Detailed heads</i>								
(a) Pay of Officers								
(b) Pay of Establishment								
(c) Allowances & Honoraria								
(d) Other Charges								

[No. 10/68/59-ONG.]

K. K. SAHNI, Jt. Secy.

ERRATUM

In Ministry of Food and Agriculture (Department of Food) Order No. 201 (PB) (6)/462/60-Py.II, dated 27th October, 1960, published in the Gazette of India Extraordinary, Part II—Section 3(i), dated 27th October, 1960 as G.S.R. No. 1276, the following correction is to be made:—

Page 679, in the heading above col. (3)—
for “Maximum price per quintal”
read “Maximum price per maund”